

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 22, 2011
POSITION: Oppose
SPONSOR: Office of Foreign Trade, Economic
Development Agency (County of Riverside),
Assembly Committee on Jobs, Economic
Development and the Economy

BILL NUMBER: AB 1137
AUTHOR: M. Perez

BILL SUMMARY: Economic Development: Foreign Trade

This bill would authorize the Business, Transportation and Housing Agency (BTH) to establish the California Export Promotion and Gap Financing Program (Export Assistance Program) for the purpose of applying for and receiving federal funding for the implementation of a state and federal export financing program. It would also establish the California Foreign Investment Program with BTH as the lead state agency.

FISCAL SUMMARY

According to BTH, annual costs are estimated at \$573,114 for one program manager, Staff Services Manager II and five Associate Governmental Program Analysts to administer the program and to apply for the federal funding.

COMMENTS

Finance is opposed to this bill because it would generate significant General Fund costs when the state has a structural imbalance between revenues and expenditures. Additionally, the Administration has designated the California Community Colleges Chancellor's Office to apply for federal funding for export financing.

On April 26, 2011 the Governor assigned the Chancellor's Office of the California Community Colleges as the sole state entity to submit the State Trade and Export Promotion Grant Act (STEP) application to the U.S. Small Business Administration.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
0520/Secty BT&H	SO	No	-----	See Fiscal Summary				-----	0001

Analyst/Principal (0741) P. Abahazi	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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